

STATE OF CALIFORNIA
CONSUMER POWER AND CONSERVATION
FINANCING AUTHORITY



MISSION STATEMENT

The California Power Authority mission is to obtain sufficient electricity reserve through aggressive conservation, new project financing, and far greater use of renewable energy while contributing to cleaner air and a better environment, to ensure Californians sufficient supply at reasonable prices.

The Power Authority will carry out its mission with four fundamental goals:

1. Reliable Power – Preventing Black-Outs

In the new deregulated market, where private companies do not invest in reserves, the public sector must provide this insurance for reliability. A basic target is to achieve at least 15% more capacity than the highest foreseeable load. Power plants do break down without notice and a 15% reserve margin is essential if Californians are to be assured that their power supply won't be interrupted.

2. Protecting Consumers

By owning and controlling a strategic reserve capacity for electricity, the Authority can assure that market prices stay reasonable and that last minute power is on a cost of service basis rather than sky-high spike prices. The Authority will thus serve as a consumer protection agency.

3. Diversifying California's Energy Portfolio and Cleaning California's Air

The Power Authority will help finance added capacity that is much cleaner – renewable energy source projects that have zero air pollution. Investing in renewable energy will emphasis diversity and help the state move away from heavy reliance on natural gas.

4. Conserving Energy and Our Natural Resources

The cleanest and cheapest megawatt is the one that Californians do not have to purchase. The Authority will finance an aggressive conservation program that will result in cost savings for residents and businesses, and help to promote the California economy.